

IN THE SENATE OF THE UNITED STATES.

April 10, 1860.—Ordered to be printed.

Mr. FITZPATRICK made the following

REPORT.

[To accompany Joint Resolution S. 28.]

*The Committee on Indian Affairs, to whom was referred the claim of A. M. Fridley, late agent for the Winnebagoes, under resolution of the Senate of 1st ultimo, with instructions to inquire into the expediency and propriety of relieving him from the effects of a judgment obtained against him in the district court for the second district of the State of Minnesota, in consequence of his having, under orders from the Indian Bureau, disobeyed the injunction of said court, in regard to the payment of certain moneys belonging to said Winnebagoes, beg leave to report:*

On the 30th September, 1850, money was appropriated to pay certain arrearages due the Winnebagoes.

The money was paid to Joseph Bryan, the regularly authorized attorney for the Indians.

A. M. Fridley was appointed United States agent for the Winnebagoes in December, 1850.

October 15, 1851, the Indians held a council to take into consideration their indebtedness to certain white men, traders. The Indians acknowledged an indebtedness, and requested Fridley to investigate the amount, and pay it out of the appropriation in Bryan's hands. The traders assented to the arrangement, and Fridley accepted the trust. The Indians gave him power of attorney, dated 17th October, 1851, to draw the money from Bryan.

October 19, 1851, Fridley inclosed the power of attorney to Bryan, and requested that the money should be forwarded to himself in drafts.

November 3, 1851, Bryan sent the drafts as requested to Fridley (amounting in the aggregate to \$17,758) under cover from and franked by Luke Lea, Commissioner of Indian Affairs.

On the same day, (November 3,) under the same cover, Mr. Lea instructed Fridley to pay certain claims of P. Choteau, Jr. & Co. and others against the Indians, out of the money that day inclosed to him.

December 12, 1851, the traders (Lowry and others) who were parties with the Indians to the arrangement of the 15th and 17th of October,

sued out an *injunction* against Fridley, restraining him from paying the money to any other parties than themselves. The court, in fact, seconded their demand that the arrangement should be carried out.

December 22, 1851, Fridley acknowledged receipt of Lea's letter of November 3, and informed him of the arrangement of the 15th and 17th October, and also that he (Fridley) had been restrained by injunction from paying the money to any other than the traders who were parties to the arrangement, and asked Lea to reconsider his instructions.

March 26, 1852, Lea answered, reiterating his instructions as follows:

"I have carefully considered this matter, and am satisfied that it is simply a case in which the only question is, which of two sets of claimants against the Indians, shall obtain satisfaction of their claims out of the money of the Indians, in your hands. I have no difficulty in deciding this question, notwithstanding the power of attorney and the injunction to which you refer. In no case whatever, can an agent make any private contract or arrangement with an Indian tribe by which he is to be absolved from his official obligation to obey the orders of this department. As to the injunction it is considered at best a mere nullity. The judge who granted it assumed jurisdiction of a matter which, by express provisions of law is committed to the discretion and management of the Commissioner of Indian Affairs. In regard to the merits of the two classes of claims, I am clearly of opinion that the older class is entitled to priority of claim. My order of 3d November, is, therefore renewed, and you will carry it promptly into effect."

He likewise proceeded to direct Fridley to pay any balance of the \$17,758 which might remain in his hands after paying the claims of Choteau & Co., and others, on other claims "in such proportion as the Indians in open council shall direct."

This letter was addressed to Fridley in this city, whither he appears to have come on this business.

April 24, 1852, Fridley carried out the instructions by paying Choteau & Co., and the other claimants mentioned by Lea, and applying the balance of the \$17,758 to other claims as directed by the Indians "in open council."

Suit was presented against Fridley in consequence of his disregard of the injunction. The suit was defended for him by Daniel H. Dusten, United States district attorney, and Wm. M. McCarty and A. R. Dodge, attorneys at law. The suit was protracted until 15th January, 1856, when judgment was rendered against Fridley for \$22,792 33.

March 26, 1858, Fridley paid the judgment, with interest, according to the laws of Minnesota, amounting to \$28,262 49.

The committee report a joint resolution for the relief of Fridley. As the money paid by him to Choteau & Co., and others, and for which judgment was subsequently obtained against him, was paid for the benefit of the Indians, the committee direct the Secretary of the Interior to retain the amount from certain annuities due the same Indians.